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# HOUSE BILL No. 1370

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 7.1-1-3-41; IC 7.1-3.

**Synopsis:** Delivery of alcoholic beverages. Amends the definition of alcoholic beverage "salesman" to exempt an Internet based consumer marketing service that promotes alcoholic beverage sales, other than beer sales, only through licensed Indiana wholesalers, dealers, and retailers. Removes a provision that allows a wine wholesaler to sell and deliver wine to a consumer's residence in permissible containers that does not exceed 50 gallons at any one time. Allows a liquor dealer to deliver an unlimited quantity of liquor to a customer's residence or office. (Current law limits the quantity a liquor dealer may deliver to a customer's residence or office to 12 quarts at any one time.) Allows a wine dealer to sell an unlimited quantity of wine. (Current law limits the quantity that a wine dealer may sell to not more than 12 quarts at any one time.) Allows a wine dealer that holds a liquor permit to sell and deliver wine in permissible containers to a customer's residence or office.

**Effective:** July 1, 2001.

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## Whetstone, Kuzman

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January 11, 2001, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

## HOUSE BILL No. 1370

A BILL FOR AN ACT to amend the Indiana Code concerning alcoholic beverages.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 7.1-1-3-41 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 41. ~~Salesman~~. (a) The  
3 term "salesman" means:

4 ~~(a)~~ (1) a person who procures or seeks to procure an order or  
5 contract for the sale, ~~or for the delivery, or for the transportation~~  
6 of alcoholic beverages; ~~and or~~

7 ~~(b) Also means~~ (2) a person who is engaged in promoting the sale  
8 of alcoholic beverages, or in promoting the business of a person  
9 engaged in the alcoholic beverage trade in any manner, whether  
10 the seller resides within this state and sells to buyers either within  
11 or without this state, or whether the seller resides without this  
12 state and sells for delivery to buyers within this state.

13 (b) The term does not include an Internet based consumer  
14 marketing service that promotes alcoholic beverage sales, other  
15 than beer sales, only through licensed Indiana wholesalers, dealers,  
16 and retailers.

17 SECTION 2. IC 7.1-3-10-7 IS AMENDED TO READ AS

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1 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 7. (a) The holder of a  
 2 liquor dealer's permit shall be entitled to purchase liquor only from a  
 3 permittee entitled to sell to him under this title.

4 (b) A liquor dealer shall be entitled to possess liquor and sell it at  
 5 retail in its original package to a customer only for consumption off the  
 6 licensed premises.

7 (c) A liquor dealer may deliver liquor only in permissible containers  
 8 to a customer's residence or office. ~~in a quantity that does not exceed~~  
 9 ~~twelve (12) quarts at any one (1) time.~~

10 (d) A liquor dealer may not sell or deliver alcoholic beverages or  
 11 any other item through a window in the licensed premises to a patron  
 12 who is outside the licensed premises. However, a liquor dealer that is  
 13 a drug store may sell prescription drugs and health and beauty aids  
 14 through a window in the licensed premises to a patron who is outside  
 15 the licensed premises.

16 SECTION 3. IC 7.1-3-13-3 IS AMENDED TO READ AS  
 17 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. (a) The holder of a  
 18 wine wholesaler's permit may purchase, import, and transport wine,  
 19 brandy, or flavored malt beverage from the primary source of supply.  
 20 A wine wholesaler may export and transport wine, brandy, or flavored  
 21 malt beverage by the bottle, barrel, cask, or other container, to points  
 22 outside Indiana. A wine wholesaler is entitled to sell, furnish, and  
 23 deliver wine or flavored malt beverage from inventory that has been  
 24 located on the wholesaler's premises before the time of invoicing and  
 25 delivery to a wine wholesaler, a wine retailer, a supplemental caterer,  
 26 a temporary wine permittee, a supplemental retailer, and a wine dealer,  
 27 but not at retail. A wine wholesaler may sell, furnish, and deliver  
 28 brandy from inventory that has been located on the wholesaler's  
 29 premises before the time of invoicing and delivery, but not at retail,  
 30 only to a person who holds a liquor retailer's permit, a supplemental  
 31 caterer's permit, a supplemental retailer's permit, or a liquor dealer's  
 32 permit. ~~A wine wholesaler also may sell and deliver wine to a~~  
 33 ~~consumer, at the consumer's residence, in bottles or other permissible~~  
 34 ~~containers in a quantity that does not exceed fifty (50) gallons at any~~  
 35 ~~one (1) time.~~

36 (b) As used in this section, "brandy" means:

37 (1) any alcoholic distillate described in 27 CFR 5.22(d) as in  
 38 effect on January 1, 1983; or

39 (2) a beverage product that:

40 (A) is prepared from a liquid described in subdivision (1);

41 (B) is classified as a cordial or liqueur as defined in 27 CFR  
 42 5.22(h) as in effect on January 1, 1997; and

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(C) meets the following requirements:

(i) At least sixty-six and two-thirds percent (66 2/3%) of the product's alcohol content is composed of a substance described in subdivision (1).

(ii) The product's label makes no reference to any distilled spirit other than brandy.

(iii) The product's alcohol content is not less than sixteen percent (16%) by volume or thirty-two (32) degrees proof.

(iv) The product contains dairy cream.

(v) The product's sugar, dextrose, or levulose content is at least twenty percent (20%) of the product's weight.

(vi) The product contains caramel coloring.

(c) Nothing in this section allows a wine wholesaler to sell, give, purchase, transport, or export beer (as defined in IC 7.1-1-3-6) unless the wine wholesaler also holds a beer wholesaler's permit under IC 7.1-3-3-1.

(d) A wine wholesaler that also holds a liquor wholesaler's permit under IC 7.1-3-8 may not:

(1) hold a beer wholesaler's permit under IC 7.1-3-3;

(2) possess, sell, or transport beer; or

(3) sell more than one million (1,000,000) gallons of flavored malt beverage during a calendar year.

SECTION 4. IC 7.1-3-15-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 3. (a) The holder of a wine dealer's permit shall be entitled to purchase wine only from a permittee who is authorized to sell to him under this title. He shall be entitled to sell wine for consumption off the licensed premises only and not by the drink.

(b) A wine dealer shall be entitled to sell wine in permissible containers. ~~in a quantity of not more than twelve (12) quarts, at any one (1) time.~~

**(c) A wine dealer that holds a liquor permit under IC 7.1-3-10-4 is entitled to sell and deliver wine in permissible containers to a customer's residence or office.**

**(d)** Unless a wine dealer is a grocery store or drug store, a wine dealer may not sell or deliver alcoholic beverages or any other item through a window in the licensed premises to a patron who is outside the licensed premises. A wine dealer that is a grocery store or drug store may sell any item except alcoholic beverages through a window in the licensed premises to a person who is outside the licensed premises.



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